ELECTRONIC SERVICES DISCLOSURE AND AGREEMENT

THIS ELECTRONIC SERVICES DISCLOSURE AND AGREEMENT SUPERSEDES ALL PREVIOUS ELECTRONIC SERVICES AND REMOTE DEPOSIT CAPTURE DISCLOSURES AND AGREEMENTS PRIOR TO THE EFFECTIVE DATE BELOW.

Effective Date October 1, 2015

Bay Federal
CREDIT UNION
Making a real difference
3333 Clares Street, Capitola, CA 95010
831.479.6000 | 888.4BAYFED

FEDERALLY INSURED BY NCUA

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ELECTRONIC SERVICES DISCLOSURE AND AGREEMENT

In this Disclosure and Agreement, the words "I," "me," "my," "us," and "our" mean each and all of those who apply for and/or use any of the electronic services described in this Disclosure and Agreement. The words "you," "your," and "yours" mean Bay Federal Credit Union. My acceptance, retention, activation, or use of an ATM Card, VISA® Debit Card, VISA® Credit Card, BayPhone Telephone Banking, BayFedOnline Banking, Bill Pay, BayFedMobile Banking, Remote Deposit Capture, Funds Transfers, or other electronic funds transaction hereunder constitutes an agreement between you and me as described below.

I understand and agree, for myself (and any person or entity I represent if I sign as a representative of another person or entity) to the terms of this Disclosure and Agreement and your Fee Schedule.

I understand and agree that this Disclosure and Agreement, along with any other documents you give me pertaining to my account(s), is a contract that establishes the rules that control my account(s) with you. When I accept, retain, activate, or use an ATM Card, VISA® Debit Card, VISA® Credit Card, BayPhone Telephone Banking, BayFedOnline Banking, Bill Pay, BayFedMobile Banking, Remote Deposit Capture, or conduct other electronic funds transactions hereunder, I agree to follow these rules.

The purpose of this Disclosure and Agreement is to:

1. Apply and explain laws that apply to common transactions;
2. Establish rules to cover transactions or events that the law does not regulate;
3. Establish rules for certain transactions or events that the law regulates but for which it permits variations by agreement; and
4. Provide disclosures of some Credit Union policies to which I may be entitled or in which I might be interested.

I understand and agree that if any provision of this Disclosure and Agreement is found to be unenforceable according to its terms, all remaining provisions will remain in full force and effect. You may permit some variations from this Disclosure and Agreement, but you will only agree to do so in writing.

This Disclosure and Agreement is given by you in compliance with the Electronic Funds Transfer Act (15 U.S.C. Section 1693, et seq.) and Regulation E (12 CFR 1005, et seq.) to inform me of certain terms and conditions of the electronic funds transfer services I have requested.

At the present time, you participate in several types of services that may be accomplished by electronic transfer: preauthorized deposits of net paycheck; preauthorized deposits of pension checks and Federal Recurring Payments (for example, Social Security payments); preauthorized withdrawals for bill payments and other recurring payments; Automated Teller Machine (ATM) electronic fund transfer services at Credit Union owned ("Proprietary") ATMs and on "Shared Network" ATMs such as the CO-OP Network, STAR®, PLUS®, and VISA®, and such other systems as may be added from time to time; BayPhone Telephone Banking; BayFedOnline Banking; Bill Pay; BayFedMobile Banking; Remote Deposit Capture; Electronic Check Transactions; Point of Sale (POS) Transactions; Funds Transfers; or other electronic funds transactions. Disclosure information applicable

to all electronic services offered by you is given below, with certain specific disclosure information for each service following in separate sections. I understand that the agreements, terms, conditions, rules, and regulations applicable to my savings account(s), money market account(s), checking account(s), VISA® Credit Card, personal line of credit, and any other applicable accounts, remain in full force and effect and continue to be applicable, except as specifically modified by this Disclosure and Agreement.

GENERAL DISCLOSURES APPLICABLE TO ALL ELECTRONIC SERVICES

Business Day Disclosure. Your business days are Monday through Friday, except holidays. ATMs, POS terminals, BayPhone Telephone Banking, BayFedOnline Banking, Bill Pay, BayFedMobile Banking, and Remote Deposit Capture are generally open, but not always accessible, 24 hours a day, 7 days a week. BayPhone Telephone Banking, BayFedOnline Banking, Bill Pay, BayFedMobile Banking, and Remote Deposit Capture may be temporarily unavailable due to Credit Union system maintenance or technical difficulties including those of the Internet Service Provider and Internet software.

Disclosure of Account Information to Third Parties. You will disclose information to third parties about my account or transfers I make:

(1) When it is necessary to complete an electronic transaction;

(2) In order to verify the existence and condition of my account for a third party, such as a credit bureau or merchant;

(3) In order to comply with a government agency or Court order, or any legal process;

(4) If I give you written permission; or

(5) As otherwise permissible under applicable law.

In Case of Errors or Questions About My Electronic Services Transactions.

Telephone you at: 831.479.6000 or toll-free at 888.4BAYFED

or write you at: BAY FEDERAL CREDIT UNION
3333 Clares Street
Capitola, CA 95010
ATTENTION: Member Service Center

or e-mail you at memberemails@bayfed.com

as soon as I can, if I think my statement or receipt is wrong or if I need more information about a transaction listed on the statement or receipt. You must hear from me no later than sixty (60) days after you send me the FIRST statement on which the problem or error appeared. I must:

(1) Tell you my name and account number;

(2) Describe the error or the transaction I am unsure about and explain as clearly as I can why I believe it is an error or why I need more information; and

(3) Tell you the dollar amount of the suspected error.

If I tell you orally, you will require that I send you my complaint or question in writing within ten (10) business days.

You will determine whether an error occurred within ten (10) business days after you hear from me and will correct any error promptly. If you need more time, however, you may take up to forty five (45) days to investigate my complaint or question. If you decide to do this, you will credit my account within ten (10) business days for the amount I think is in error, so that I will have the use of the money during the time it takes you to complete your investigation. If you ask me to put my complaint or question in writing and you do not receive it within ten (10) business days, you may not credit my account.

In accordance with VISA® Operating Rules and Regulations, I will receive provisional credit for VISA® Debit Card losses for unauthorized use within five (5) business days after I have notified you of the loss.

For errors involving new accounts, point-of-sale, or foreign-initiated transactions, you may take up to ninety (90) days to investigate my compliant or question. For new accounts, you may take up to twenty (20) business days to credit my account for the amount I think is in error.

You will tell me the results within three (3) business days after completing your investigation. If you decide that there was no error, you will send me a written explanation. I may ask for copies of the documents that you used in your investigation.

Your Liability for Failure to Make or Complete Electronic Funds Transactions. If you do not properly complete an electronic funds transaction to my account on time or in the correct amount according to your agreement with me, you may be liable for my losses and damages. However, there are some exceptions. You will not be liable, for instance, if:

(1) Circumstances beyond your control (such as fire, flood, earthquake, electronic failure, or malfunction of central data processing facility, etc.) prevent the transaction, despite reasonable precautions;

(2) Through no fault of yours, I do not have enough money in my account (or sufficient collected funds) to make a transaction;

(3) The funds in my account are subject to an uncollected funds hold, legal process, or other circumstances restricting such transaction or payment;

(4) You have received incorrect or incomplete information from me or from third parties (e.g., the U. S. Treasury, an automated clearing house, or a terminal owner);

(5) The ATM, POS terminal, BayPhone Telephone Banking, BayFedOnline Banking, Bill Pay, BayFedMobile Banking, Remote Deposit Capture, or other electronic services system contemplated hereunder was not working properly and I knew about this breakdown when I started the transaction;

(6) The ATM where I was making the transaction did not have enough cash, or cash in the denominations I requested;

(7) My ATM Card, VISA® Debit Card, VISA® Credit Card, or check(s) has been reported lost or stolen, or my Card has expired, is damaged so that the terminal cannot read the encoding strip, has not been activated, is inactive due to non-use, is retained by you at my request, or because my Card, BayPhone, BayFedOnline Banking, Bill Pay, or BayFedMobile Banking PIN or Password has been reported lost or stolen or repeatedly entered incorrectly;

(8) The transaction would exceed my Line of Credit limit or VISA® Credit Card limit;

(9) Your failure to complete the transaction is done to protect the security of my account and/or the electronic terminal system;

(10) There may be other exceptions.

Email Communications: I may communicate with you via electronic mail (email); however, I may only email you general questions and not account information questions. You will not respond to account information-related questions sent to you via email. Also, I should not send you any confidential account or other information via email. I understand that I may not perform transactions on my account via email. I cannot request a stop payment or report an unauthorized transaction via email. Given that these types of requests/transactions require expeditious handling, I must make these requests by calling or mailing a letter to you as noted in this Disclosure and Agreement. I agree that you may take a reasonable amount of time to act on any email you actually receive from me. I agree that you are not responsible for any deficiencies in the accuracy, completeness, availability, or timeliness of such information or any decision I make using this information. You will only respond to emails from the email address you have on file for me. If I change my email address, I will notify you in writing, by fax, via secure e-mail, or in person at any of your branches.

Fees and Charges for Electronic Funds Transaction Services. All fees and charges associated with my electronic funds transactions are disclosed in your Fee Schedule. A stop payment placed on a preauthorized electronic payment is subject to a fee as disclosed in your Fee Schedule for each stop payment order I give. There may also be a charge assessed if I overdraw my Checking Account by the use of a VISA® Debit Card. If I request a copy of the documentation relative to an ATM or POS transaction (except if the documentation is for resolution of a billing error), a fee equal to your reasonable cost of reproduction will be charged. Any fees charged will be deducted from my savings account, money market account, or checking account.

Change in Terms. You may change the terms and charges for the services indicated in this Electronic Services Disclosure and Agreement and may amend, modify, add to, or delete from this Disclosure and Agreement from time to time. If I have an account with you through which electronic transactions are being processed, I will receive written notice at least twenty-one (21) days prior to the effective date of the change(s), or as otherwise provided by law.

Disclosure of Delayed Funds Availability. You may place a hold for uncollected funds on an item I deposit. This could delay my ability to withdraw such funds. For further details, I will see your Truth-In-Savings Disclosure and Account Agreement or contact a Credit Union officer.

Termination of Electronic Funds Transaction Services. I may, by written request, terminate any of the electronic services provided for in this Disclosure and Agreement. You may terminate my right to make electronic funds transactions at any time upon written notice and may reinstate such services at your discretion. If I ask you to terminate my account or the use of an ATM Card, or any other access device, I will remain liable for subsequent authorized transactions occurring prior to and after such termination.

Account Access. My Account, the Card(s), or any other access device or method (including automated clearing house (ACH) and Elec-

tronic Check Transactions) may not be used for any illegal activity or transaction. I understand that I may not utilize my Account, the Card(s), or any other access device or method for the purchase of any goods or services on the Internet that involve online gambling of any sort. Prohibited activity and transactions include, but may not be limited to, any quasi-cash or online gambling transaction, electronic commerce gambling transaction conducted over an open network, and any betting transaction including the purchase of lottery tickets or casino gaming chips or off-track betting or wagering. You may deny authorization of any transactions identified as gambling. However, in the event that a transaction described in this paragraph is approved and processed, I will still be responsible for such charges.

Collections. I agree that you shall be entitled to recover any money owed by me to you as a result of my use of, or the use of anyone I have provided access to, any of your electronic services, and I agree to repay any amounts that create an overdrawn balance immediately upon demand. I may be charged an Insufficient Funds Fee, as disclosed in your Fee Schedule, if permissible under applicable law. I grant you a security interest in my present and future shares on deposit and you have the right to apply such shares against any amounts owed to you by me (e.g., overdrafts and any related fees and charges). If any legal action is required to collect amounts I owe, I agree to pay all costs of collection, including reasonable attorneys' fees, court costs, and other charges incurred by enforcing your rights under this Disclosure and Agreement.

Indemnification. To the extend permitted by law, I agree to indemnify, defend, and hold you and your directors, officers, employees, and agents harmless from and against any damage, expense, loss, or liability of any kind that you may incur, including, but not limited to, attorneys' fees and court costs that result, directly or indirectly, in whole or in part, from my use of any electronic service governed by this Disclosure and Agreement.

Relationship to Other Disclosures. The information in this Disclosure and Agreement applies only to the electronic service transactions described herein. Provisions in other disclosure documents, as may be revised from time to time, remain effective for all other aspects of the account involved.

Governing Law. I understand and agree that this Disclosure and Agreement and all questions relating to its validity, interpretation, performance, and enforcement shall be governed by and construed in accordance with the internal laws of the State of California, notwithstanding any conflict-of-laws doctrines of such state or other jurisdiction to the contrary. I also agree to submit to the personal jurisdiction of the courts of the State of California.

Copy Received. I acknowledge receipt of a copy of this Disclosure and Agreement.

PREAUTHORIZED DEPOSIT OF NET PAYCHECK, PENSION CHECKS, AND FEDERAL RECURRING PAYMENTS

If I have arranged to have preauthorized electronic deposits of my net paycheck (if available from my employer), pension checks, or Federal Recurring Payments (for example, Social Security payments), the following applies to me.

Account Access. Preauthorized deposits may be made to my savings account(s) or checking account(s).

Notification of Preauthorized Deposits. If I have arranged with a third party (for example, the Social Security Administration) to make preauthorized deposits to my account at least once every sixty (60) days, that third party making preauthorized deposits may have agreed to notify me every time the party sends you money to deposit to my account. If I have not made such an arrangement, I may telephone you at 831.479.6000 or toll-free at 888.4BAYFED and you will advise me whether or not the preauthorized deposit has been made.

Documentation of Preauthorized Deposits. Generally, I will receive a monthly account statement for each month in which a preauthorized deposit is made, but at least quarterly if no preauthorized deposits are made. However, if the only electronic fund transaction service I have with you is preauthorized deposits, then you reserve the right to send me a quarterly statement only.

PREAUTHORIZED PAYMENT SERVICES

If I have requested a preauthorized payment to a third party from my checking account or ACH payments via a savings account with you, the following applies to me.

Account Access. Preauthorized payments may be made from my checking or savings account(s) only.

Right to Receive Documentation of Preauthorized Payment:

Initial Authorization. I can get copies of the preauthorized payment documentation from the third party being paid at the time I give them the initial authorization.

Notice of Varying Amounts. If my preauthorized payment may vary in amount, the party who will receive the payment is required to tell me ten (10) days before such payment when it will be made and how much it will be. I may agree with the person being paid to receive this notice only when the payment will differ by more than a certain amount from the previous payment, or when the amount would fall outside certain limits that I set.

Periodic Statement. I will receive a monthly account statement for each month in which a transfer is made, but at least a quarterly statement if no transfers are made.

Right to Stop Preauthorized Payment. If I want to stop any of the preauthorized payments or revoke a preauthorized payment authorization, I must call you at: 831.479.6000 or toll-free at 888.4BAYFED, or write you at BAY FEDERAL CREDIT UNION, 3333 Clares Street, Capitola, CA 95010 ATTENTION: Member Service Center, in time for you to receive my stop request no less than three (3) business days or more before the next payment is scheduled to be made. If I call, you may also require me to put confirmation of my request in writing at the above address and get it to you within fourteen (14) days after I call. An oral request ceases to be binding after fourteen (14) days if I have not provided you with my required written confirmation of my request. You will charge me for each stop payment or revocation request I give pursuant to your current Fee Schedule. If I have given you a request to revoke this entire preauthorized payment authorization, I understand and agree that I must also promptly contact the third party to cancel (revoke) the entire preauthorized payment authorization and you may require me to provide you with a copy of my written revocation notice to the third party.

Your Liability for Failure to Stop Payment. If I order you to stop one of my preauthorized payments no less than three (3) business days or more before the transfer is scheduled, and you do not do so, you will be liable for my losses or damages, to the extent provided by law.

I agree to pay you a Stop Payment Fee in accordance with your Fee Schedule for each stop payment order I give.

Liability for Unauthorized Electronic Payments. I may be liable for unauthorized transfers made from my account by a third party. If I believe such transfer has occurred, I must follow the procedures outlined in the "General Disclosures Applicable to All Electronic Services" section for resolving errors. Please also refer to the section entitled "ATM Electronic Funds Transactions, Point of Sale Transactions, BayPhone Telephone Banking Transactions, BayFedOnline Banking Transactions, Bill Pay, BayFedMobile Banking, Remote Deposit Capture Services, Funds Transfers, and Electronic Check Transactions."

BayPhone TELEPHONE BANKING

BayPhone Telephone Banking is a telephone banking service which will allow me to perform monetary transactions and account balance inquiries without assistance from your staff. I have the option to use voice response or touch-tone. Before I can use BayPhone Telephone Banking, I must request the service and then you will provide me with a personal identification number (PIN) for access to your BayPhone Telephone Banking.

Types of Available Transactions. I may use my BayPhone PIN to:

(1) Balance Inquiries;

(2) Make withdrawals from my savings account(s) (except from IRAs or from the principal of a certificate account) or checking account(s) or advances on my personal line of credit by Credit Union check issued in the name of the member appearing first on the account signature card mailed to my address of record;

(3) Transfer funds between my savings account(s) and checking account(s);

(4) Make loan payments by transferring the amount of the payment from my savings account(s) or my checking account(s);

(5) Make account balance and transaction history inquiries on my savings account(s), checking account(s), or loan account(s);

(6) Obtain loan payment due date and estimated payoff information;

(7) Find out if a specific check has cleared;

(8) Report a lost or stolen Bay Federal Credit Union VISA® Debit Card or Credit Card;

(9) Activate my Bay Federal Credit Union Credit Card;

(10) Change my BayPhone PIN; and

All payments and deposits are subject to later verification by you. You may offer additional services in the future and, if so, I will be notified of them.

BayPhone Personal Identification Number (PIN). I understand that I cannot use BayPhone Telephone Banking without an identification number, which you refer to as a BayPhone PIN. You will provide a temporary BayPhone PIN to me and I agree to change it to a PIN of my own choosing using the BayPhone System. I am responsible for the safekeeping of my BayPhone PIN provided by you and for all transactions made by use of the BayPhone Telephone Banking.

I will notify you immediately if my BayPhone PIN is disclosed to anyone. I understand and agree that I must change the PIN immediately to prevent transactions on my account if anyone not authorized by me has access to the BayPhone PIN. If I disclose my BayPhone PIN to anyone, however, I understand that I have given them access to my account via BayPhone Telephone Banking and that I am responsible for any such transactions.

I further understand that my BayPhone PIN is not transferable and I will not disclose the BayPhone PIN or permit any unauthorized use thereof.

BayFedOnline BANKING, BayFedMobile BANKING, BILL PAY SERVICES, REMOTE DEPOSIT CAPTURE, AND FUNDS TRANSFER SERVICES

BayFedOnline BANKING AGREEMENT. BayFedOnline Banking ("Online Banking" or the "Service") is your computer banking service that allows access to my accounts without assistance from your staff by using the Credit Union website and my own selected BayFedOnline Banking Username and Password.

Minimum System Requirements. In order to conduct transactions through the Service with you, the following computer system requirements and plug-ins must be satisfied:

In order to access and use the Online Service and to receive Communications (as defined herein) electronically, I must have:

- An Internet browser that supports 128-bit encryption, e.g. the latest versions of Internet Explorer, Chrome or Safari.
- An e-mail account and e-mail software capable of reading and responding to e-mail.
- A personal computer or other device, operating system and telecommunications connections to the Internet capable of supporting the Online Service.
- Software which permits me to receive, access, and download Portable Document Format or "PDF" files, such as Adobe Acrobat Reader (available for downloading at http://www.adobe.com/products/acrobat/readstep2.html).

To retain a copy of the Communications, my computer or Mobile Device must have the ability to download and store PDF files. You also recommend that I have a printer capable of printing, for my records, paper copies of the Communications. In order to access and use Mobile Banking, I must have a supported Mobile Device enabled to receive and transmit data, and which includes texting functionality, if required.

It is my responsibility to ensure that all computers and devices, including Mobile Devices, used by me to access the Online Service comply with the Online Service's hardware and software requirements.

Configuration Requirements:

Cookies:
Session = Enabled
Permanent = Enabled

JavaScript = Enabled

Minimum Screen Resolution = 1024 x 768 pixels

Adobe Acrobat Reader Version 9.x or higher

Adobe Flash Player Version 10 or higher

I UNDERSTAND THAT THE CREDIT UNION DOES NOT MAKE ANY WARRANTIES ON EQUIPMENT, HARDWARE, SOFTWARE, OR INTERNET PROVIDER SERVICE, OR ANY PART OF THEM, EXPRESSED OR IMPLIED, INCLUDING, WITHOUT LIMITATION, ANY WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. THE CREDIT UNION IS NOT RESPONSIBLE FOR ANY LOSS, INJURY, OR DAMAGES, WHETHER DIRECT, INDIRECT, SPECIAL, OR CONSEQUENTIAL, CAUSED BY THE INTERNET PROVIDER, ANY RELATED SOFTWARE, OR THE CREDIT UNION'S USE OF ANY OF THEM OR ARISING IN ANY WAY FROM THE INSTALLATION, USE, OR MAINTENANCE OF MY PERSONAL COMPUTER HARDWARE, SOFTWARE, OR OTHER EQUIPMENT.

Account Access. BayFedOnline Banking is available for my savings account(s) and money market account(s) (for IRA accounts, only inquiries are permitted), checking account(s), personal line of credit accounts, and loan account(s) using my BayFedOnline Banking Username and Password.

Types of Available Transactions. I may use my BayFedOnline Banking Password for:

(1) Balance inquiries;

(2) Account transaction history;

(3) Balance inquiries and account transaction history on Bay Federal Accounts and accounts held at another financial institution;

(4) Transfer of funds among and between my accounts;

(5) Transfers to other members' accounts;

(6) External transfers to accounts at other financial institutions;

(7) Cash advance from my VISA® Credit Card and deposited to an account with you;

(8) External transfers to pay loans;

(9) Loan payments by transfers from my savings account(s), checking account(s), or money market account(s)

(10) Utilize the Bill Pay service from my designated checking account(s);

(11) Obtain loan payment due date and estimated payoff information;

(12) Obtain last year and year-to-date dividends paid information;

(13) Find out if a specific check has cleared;

(14) Place a stop payment on a check;

(15) Sign up to receive electronic statements (e-Statements);

(16) Access and view electronic statements (e-Statements);

(17) Request a new VISA® Debit Card;

(18) Download transaction information to personal financial management software from my checking or savings account(s);

(19) Customize the name of accounts;

(20) Change my:

(a) BayFedOnline Banking Password;

(b) BayFedOnline Banking Username;

(c) Multi-Factor Authentication;

(d) Address;

(e) Email address; and

(f) Telephone number;

(21) Send an in-session message to the Credit Union;

(22) Manage financial and personal alert settings on my account;

(23) Grant access to my designees via entitlements;

(24) Purchase Rewards.

You may offer additional services in the future and, if so, I will be notified of them.

Balance Inquiries. Balance information available through Online Banking may not be accurate because the balance information may not reflect all recent transactions. For accurate balance information, contact the Credit Union at 831.479.6000 or toll-free at 888.4BAY-FED.

Limitations on Frequency and Dollar Amount of Transactions.

(1) Withdrawals from my savings account(s), money market account(s), or checking account(s) or loan advances on my personal line of credit, whether by check or transfer to other accounts, are not limited in terms of minimum or maximum dollar amounts per transaction except as listed below.

(2) All withdrawals and transfers from a savings account, money market account, or checking account are limited to the extent of clear funds available in the account.

(3) All loan advances are limited to the amount available from my personal line of credit.

(4) The maximum amount per withdrawal/transfer is limited to the amount of available funds in my account at the time of the transfer. External transfers are limited in terms of the maximum dollar amount up to $50,000.00 of outstanding payments or transfers pending, and $125,000.00 per month aggregate.

(5) There is no charge for BayFedOnline Banking.

Authorization. I authorize you to charge my designated checking account(s) for any transactions accomplished through the use of the Service, including the amount of any recurring payment that I make, and all charges as shown in the Fee Schedule associated with the Service. I authorize you to transfer funds electronically between my designated checking account(s) according to my instructions initiated through BayFedOnline Banking.

Eligibility. I understand that in order to use BayFedOnline Banking, I must have an account in good standing and have a BayFedOnline Banking Password with you.

BayFedOnline Banking Password. I understand that I cannot use BayFedOnline Banking without a BayFedOnline Banking Password. I AGREE THAT THE USE OF THE PASSWORD CONSTITUTES A REASONABLE SECURITY PROCEDURE FOR ANY TRANSACTION.

I am responsible for the safekeeping of my BayFedOnline Banking Password and for all transactions made by use of the BayFedOnline Banking Service. I will notify you immediately by phone and send written confirmation if my BayFedOnline Banking Password is disclosed

to anyone. If I disclose my BayFedOnline Banking Password to anyone (including, without limitation, an account aggregate service provider), however, I understand and agree that I have given them access to my account via BayFedOnline Banking and I am responsible for any such transaction. I understand and agree that I must change the BayFedOnline Banking Password immediately to prevent transactions on my account if anyone not authorized by me has access to my BayFedOnline Banking Password. I further understand and agree that my BayFedOnline Banking Password is not transferable and I will not disclose it or permit any unauthorized use thereof.

If I voluntarily subscribe to a third party account aggregation service where my selected Credit Union deposit and loan account(s) as well as my accounts at other financial/investment institutions may be accessed on a website, I may be requested to give my BayFedOnline Banking Password to the aggregate service provider. I understand that by doing so, I am providing the aggregate service provider access to my account(s) at the Credit Union.

You recommend that I change my password regularly and that my passwords contain at least six (6) characters including numbers and letters and that I do not use passwords that could be easily guessed, such as my birthdate, last name, or other information that may be publicly available. You are entitled to act on instructions received under my password. For security purposes, I must keep my password and account information confidential. This means that I should memorize my password and not write it down. If, through my own negligence or otherwise, I make my password available to an unauthorized third party, I agree to notify you immediately. In such a case, I understand that you may terminate my access to the Service to protect the security of the Service and my Account.

The Credit Union will never contact me and ask me to provide my PINs or passwords. If I am contacted by anyone claiming to be a representative of the Credit Union who asks me to provide any PIN or password, I understand that I should not provide my PIN or password and I will contact you at 831.479.6000 or toll-free at 888.4BAYFED immediately to report the incident.

The Credit Union recommends that I purchase and utilize anti-malware software as a defense against keyloggers and certain forms of attacks by unauthorized third parties seeking access to or control over my account. Anti-malware is a term that is commonly used to describe various software products that may also be referred to as antivirus or anti-spyware. Anti-malware software is used to attempt to prevent, detect, block, and remove adware, spyware, and other forms of malware such as keyloggers.

Joint Accounts. If I utilize the BayFedOnline Banking Service to access my accounts that are jointly owned, transactions performed on any such account by electronic means where my Online Banking Password is utilized shall be considered authorized by me.

All applicable fees will be charged as set forth in the Fee Schedule.

Granting Access to Other People (Entitlements). As the authenticated primary user of Online Banking, I have the ability to entitle another person or persons (sub-users) to access your Online Banking website and grant certain authorities with respect to my accounts. Entitlement options may include:

1. View-only access;
2. Making transfers between designated accounts; and

3. Initiating bill payments from designated accounts to designated accounts.

Entitlements may be granted individually or in combination. Other entitlement features may become available in the future.

By granting entitlements to sub-users, I agree to the following terms:

1. I understand that I have sole authority and control over entitling, managing, and disabling access for sub-users and all their respective authorities;
2. I authorize you and any third-party service providers to act on transaction instructions initiated under the credentials of an authenticated sub-user, just as if it was initiated by me;
3. When granting entitlements, I assume total liability for any and all activities of my sub-users;
4. I agree to hold you and any third-party service providers harmless in any liability or claim arising from my use of these entitlements, including any claim I make against my sub-users for their handling of my accounts or breach of my agreement with said sub-users pursuant to entitlements.
5. I agree to indemnify you, your employees, agents, volunteers, and agents from and against any and all claims arising due to:
    a. My entitling another person or persons with access to your Online Banking site, my accounts, and/or other authorities with respect to my accounts; and/or
    b. Acts or actions taken by the sub-users I entitled.
6. I understand, notwithstanding any terms set forth in this Agreement, that you and any third-party service providers are not responsible for any errors or unauthorized transactions on my accounts initiated by a sub-user, and you expressly disclaim all liability, claims, damages, costs, and expenses in connection with such activities.

I understand that if I do not agree with these terms and/or other terms that you present to me from time to time, I may not use these Services.

I understand that you reserve the right to change, amend, modify, add to, delete from, and/or cancel the terms of this Agreement at any time, with or without notice.

BayFedMobile BANKING SERVICE AGREEMENT. In addition to the other terms and conditions in this Disclosure and Agreement that are applicable to the BayFedMobile Banking Service, the following additional terms and conditions apply. To use the BayFedMobile Banking Service, I must register for the BayFedMobile Banking Service using BayFedOnline Banking.

BayFedMobile allows me to access my account information through my mobile device. I may access BayFedMobile by mobile application.

System Requirements. To use BayFedMobile, I must have a mobile device with a service plan that includes data, Internet access with Secure Socket Layer (SSL) capability, and I must be a BayFedOnline Banking user with a Username and Password. Third party fees may apply for data, text messaging, and Internet use. I will contact my mobile device carrier for additional information.

To access the BayFedMobile Banking Service, I will download the BayFedMobile app from my device's app store or from www.bayfed.com. The operating system version must be compatible with the latest version of the app as determined by my device's app store.

Types of Available Transactions. I may use the BayFedMobile Banking Service to:

(1) Obtain account/loan balance information;

(2) Obtain account and loan transaction history;

(3) Obtain loan payment due date and estimated payoff information;

(4) Find out if a specific check has cleared; and see image of check;

(5) Transfer funds between my accounts at Bay Federal Credit Union;

(6) Transfer funds to accounts outside of Bay Federal Credit Union;

(7) Pay Bills;

(8) Locate Bay Federal branches and ATMs;

(9) Send secure messages to Bay Federal Credit Union;

(10) Make deposits through Remote Deposit Capture.

Fees Associated With BayFedMobile. You will automatically deduct any applicable fees from my designated checking account as set forth in your Fee Schedule.

Amendments. This Agreement, any user's manual, and the applicable fees and charges may be amended by you in the future. In the event of amendment, you shall send notice to me either by mail to my last known address or transmit such notice of the amendment through the BayFedMobile Service. My use of the BayFedMobile feature following the receipt of such notice constitutes acceptance of such amendment.

BILL PAY SERVICES AGREEMENT. In addition to the other terms and conditions in this Disclosure and Agreement that are applicable to the Bill Pay Service, the following additional terms and conditions apply.

To use the Bill Pay Service, I must register for the Bill Pay Service using BayFedOnline Banking.

Types of Available Transactions. I may use the Bill Pay Service to:

(1) Add/Delete/Edit Payees. "Payee" refers to the person, entity, or company whose bills I may pay using the Bill Pay Service;

(2) Make non-recurring payments from my checking account. This feature allows me to schedule one-time payments to payees;

(3) Make recurring payments from my checking account. This feature allows me to schedule recurring payments to payees;

(4) View payment history to see payments I have made over a specific time period.

Limitations on Bill Pay Transactions. The following on limitations on the use of our Bill Pay Service:

(1) The maximum amount I may withdraw by check is $9,999.00;

(2) The maximum per day transaction limitation is $19,999.00;

(3) Bill payments may only be made from my checking account(s);

(4) Any payee I wish to pay through the Bill Pay Service must be payable in U.S. Dollars;

(5) Each payee must appear on the payee list I create with you;

(6) I may use the Bill Pay Service to make payments to a federal, state, or local government or tax unit, or to other categories of payees that you may establish from time to time. However; payments made to government agencies are not payment guaranteed;

(7) I must allow sufficient time for the payee to receive and process the payment before the payment due date (the due date shown on my invoice or provided in my agreement with payee, not taking into account any grace period provided by payee). If I do not allow sufficient time, I will assume full responsibility for all late charges, finance charges, or other actions taken by payee;

(8) Payments may be scheduled 24-hours a day, 7 days a week; however, payments scheduled on a Saturday, Sunday, or holiday will not be processed immediately and processing will occur on the next business day.

Important: Payments are made to payees either electronically via Automated Clearing House (ACH), by check, or other electronic fund transfer. The method of payment depends on the processing method that can be accommodated by the payee or by your Bill Pay Service provider. If my payee accepts electronic bill payment, the payment may take up to two (2) business days to process. If my payee does not accept electronic bill payment, the payment may take up to five (5) business days to process.

Member Responsibilities. In addition to any other responsibility described in this Disclosure and Agreement, I am responsible for:

(1) If payment is made and I have insufficient funds in my account, I will assume full responsibility for all late charges, finance charges, or other actions taken by the Credit Union or its bill pay provider;

(2) Any overdrafts and Insufficient Funds or Stop Payment fees charged by the Credit Union;

(3) Ensuring that the data input for payee and transaction information (e.g., payee name, address, account number, payment amount, payment date, etc.) is accurate;

(4) Allowing sufficient time for bill payments to be processed so that payment can be made by our Bill Pay Service before the payment due date; and

(5) If any transaction cannot be processed because of insufficient available funds, I am responsible for either making alternate arrangements for the payment or rescheduling the payment through the Bill Pay Service.

(6) If a payment is processed, but there are insufficient funds in my account to pay it, I understand that there may be up to three attempts to withdrawal funds from my account. Fees will be assessed for each attempt per our Fee Schedule.

(7) If payment is processed, but there are insufficient funds in my account to make the payment, I understand that I may be prevented from scheduling additional payments and that my bill payment service may be suspended up to 30 business days.

Credit Union and Bill Pay Service Provider Responsibilities. The

Bill Pay Service Provider is responsible only for exercising ordinary care in making payments upon my authorization and for mailing or sending a payment to the designated payee in accordance with this Agreement. The Credit Union and the Bill Pay Service Provider are not liable for any damages I incur if I do not have sufficient funds in my designated checking account to make the payment on the processing date, or due to delays in mail delivery, changes of payee address or account number, the failure of any payee to credit the account correctly for the payment in a timely manner, or for any other circumstances beyond the control of the Credit Union or the Bill Pay Service Provider.

You will overdraft from my indicated savings account, personal line of credit account or VISA® Credit Card Account (as applicable) according to the instructions I have given you, or you may cover an overdraft using your Premium Overdraft Service, if there are not sufficient funds in the designated checking account.

A written notice will be sent to me of transactions you are unable to process because of insufficient available funds, after each attempt (3 attempts). In all cases, I am responsible for either making alternate arrangements for the payment or rescheduling the payment through the Bill Pay Service. Insufficient available funds will prevent you from making more payments until resolved. I authorize you, and any third-party acting on your behalf, to choose the most effective method to process my payments. I will receive a transaction confirmation number for each properly instructed payment.

You may charge my designated checking account on the day that a check or other transaction is presented to you directly or electronically for payment. The Credit Union reserves the right to refuse to make any payments, but you will notify me of any such refusal within two (2) to four (4) business days following receipt of my process date.

Stop Payment. Under some circumstances, I may stop or modify some authorized payments. The Service's ability to process a stop payment request will depend on the payment method and whether or not a check has cleared. The Service may not be able to act on any stop payment request after a payment has been processed. Payments that have already been debited against my account cannot be stopped, canceled, or changed. Payments designated as "today" transactions cannot be stopped, canceled, or changed once my Bill Pay session is terminated. In order to request a stop payment or change a Bill Pay transaction, I must contact you at 831.479.6000 or toll-free at 888.4BAYFED.

Fees Associated With Bill Payment. You will automatically deduct any applicable fees from my designated checking account.

Amendments. This Agreement, any user's manual, and the applicable fees and charges may be amended by you in the future. In the event of amendment, you shall send notice to me either by mail to my last known address or transmit such notice of the amendment through the BayFedOnline Banking Service. My use of the Bill Pay Service feature following the receipt of such notice constitutes acceptance of such amendment.

REMOTE DEPOSIT CAPTURE SERVICES AGREEMENT.

In addition to the other terms and conditions in this Disclosure and Agreement that are applicable to the Remote Deposit Capture, the following additional terms and conditions apply.

What is Remote Deposit Capture?

Remote Deposit Capture is a service for consumer account holders that allows me to deposit a check into my Credit Union account from anywhere with cellular data connectivity by using the Bay Federal Credit Union BayFedMobile Application and my smart phone or other electronic device to take and send an Electronic Image of the item. It eliminates the need to deliver the paper item to the Credit Union.

Eligibility Requirements.

To be eligible for the Remote Deposit Capture service, I must meet all of the following minimum criteria:

(1) I am 18 years of age or older;

(2) I am a member in good standing with the Credit Union;

(3) I maintain a Credit Union checking account;

(4) I do not have a negative record with a consumer reporting agency (e.g., closed account, excessive or unpaid NSF activity, etc.);

(5) I have not caused a loss to the Credit Union;

(6) I am qualified for and am currently enrolled in the Credit Union's Premium Overdraft program; and

(7) I have not been more than thirty (30) days late on any Credit Union loan payment.

The Credit Union reserves the right, in its sole discretion, to limit or restrict services to any member in accordance with Credit Union policy and applicable law.

System Requirements.

To use Remote Deposit Capture, I must have a mobile device with an enabled camera and service plan that includes data and Internet access. Third party fees may apply for data and Internet access. I will contact my mobile device carrier for additional information. I must also have the Bay Federal Credit Union BayFedMobile Application installed on my mobile device. The Bay Federal Credit Union BayFedMobile Application can be downloaded from my device's app store. The Operating System version must be compatible with the latest version of the application.

Requirements for Electronic Images.

Prior to creating an Electronic Image of a check, I must add the words "For Deposit Only," my Credit Union account number, and my signature endorsement to the back of the check, or as otherwise instructed by the Credit Union.

An "Electronic Image" must contain: (i) a complete, legible, and accurate image of the front of the check showing the name of the drawer/payor, signature(s), the paying bank's pre-printed information, MICR encoded information, the name of the payee, and the payment amount information; and (ii) a complete, legible, and accurate image of the back of the check showing your signature endorsement.

The following check items are not accepted for deposit through the Remote Deposit Capture service:

- Items displaying a "non-negotiable" or "void" notation or watermark.

- Items containing an alteration on the front of the check, or which I know or suspect, or should know or suspect, are fraudulent or otherwise not authorized by the owner of the account on which the check is drawn.
- Items dated more than six (6) months prior to the date of deposit.
- Items previously converted to a substitute check or items that are remotely created checks as defined by Federal Reserve Board Regulation CC.
- Items issued by or through a financial institution in a foreign country.
- Items not payable in United States currency.
- Items with incomplete or illegible information.
- Items that are money orders, traveler's checks, or savings bonds.
- Items made payable to a third party (i.e., any person or entity other than me).
- Items that are in violation of any federal or state law, rule, or regulation.
- Checks or items prohibited by the Credit Union's current procedures relating to the Remote Deposit Capture service or are otherwise not acceptable under the terms of my Credit Union account.
- Items with any endorsement on the back other than what is specified in this Agreement.

I agree to follow any and all other procedures and instructions for use of the Remote Deposit Capture service as the Credit Union may establish from time to time. Failure to do so may result in my transaction(s) not being processed and/or the removal of the Remote Deposit Capture services.

Transaction Limitations.

The maximum amount I may deposit on any day is $5,000.00. You reserve the right to modify this limit from time to time.

Processing Electronic Images

You will review each Electronic Image received to determine whether it is eligible for this service. If eligible, you will: (a) present the Electronic Image directly or indirectly to the bank on which the original check is drawn or through which the original check is payable ("Paying Bank"); (b) create a substitute check that you will present directly or indirectly to the Paying Bank; or (c) if you are the Paying Bank, present or post the Electronic Image. If you determine, for any reason, that the Electronic Image is illegible, incomplete, or otherwise ineligible for processing, you will require me to present the original item for deposit. It is my responsibility to retain the original item for 90 days to ensure that it is properly credited to my account. The Credit Union is not responsible for errors in Electronic Images that may prevent or delay the deposit of funds into my account. The Credit Union is not responsible for any image that you do not receive for any reason, including transmission interruptions.

All deposits are subject to later verification by you. You may return or refuse to accept all or any part of a deposit to my Account using the Remote Deposit Capture service at any time and will not be liable for doing so even if such action causes checks or other debits to my Account to be dishonored and returned. I am solely responsible for paying any overdraft or insufficient funds (NSF) fee charged by the Credit Union or any third party as a result of the Credit Union's rejection of any item(s), or for any item(s) returned unpaid.

Cut-Off Time and Credit to My Account.

Items transmitted using the Remote Deposit Capture service are not subject to the funds availability requirements of Federal Reserve Board Regulation CC, and, therefore, longer hold delays may apply to these deposited items. Deposits received before 3:00 p.m. Pacific Time on a business day the Credit Union is open (a "business day" is any day except Saturdays, Sundays, and holidays) will be credited to my account on the first (1st) business day after the day you receive my deposit. Deposits received after 3:00 p.m. Pacific Time on a business day the Credit Union is open will be credited on the business day after you receive my deposit. Funds that I deposit using the Remote Deposit Capture service may not be immediately available to me.

Record Retention.

It is my responsibility to ensure the safekeeping or destruction of the original item after the item has been transmitted. I should securely store each original check(s) for a period of ninety (90) days after I receive confirmation that my deposit has been accepted. Please note that I am solely responsible for the security and storage of the original checks and I am solely liable for any loss or misappropriation of these checks. Original checks that are no longer stored should be disposed of in a secure manner designed to ensure that they cannot be read or recreated.

Service and Maintenance.

You may periodically audit the Remote Deposit Capture service and infrastructure. From time to time, the Credit Union may disable the Remote Deposit Capture service without prior notice for scheduled maintenance and upgrades to the system. In the event the Remote Deposit Capture service is unavailable, I may deposit the original item in person at a Credit Union branch location during regular business hours, at a Credit Union ATM, or by mailing the item to you at 3333 Clares Street, Capitola, CA 95010.

How to Notify You in Case of Errors.

If I believe there has been an error with respect to any original check or Electronic Image transmitted to the Credit Union for deposit, I will call you at 831.479.6000 or toll-free at 888.4BAYFED or write you at 3333 Clares Street, Capitola, CA 95010. I will be asked to produce the original item and may be asked to complete a written statement in support of my claim.

Amendments.

The Credit Union may change the terms and conditions of this Agreement from time to time by sending written notice to me at my address as it appears on its records. If any change results in greater cost or liability to me or decreases access to my accounts, I will be given at least thirty (30) days prior notice of the change to the extent required by applicable law. Prior notice may not be given where an immediate

change in terms or conditions is necessary to maintain the integrity of the system and/or the security of the Remote Deposit Capture service or designated accounts.

Member Warranties and Indemnification.

By using the Remote Deposit Capture service, I represent and warrant all of the following to be true:

- The item transmitted is a complete, accurate, and unaltered item payable to me, that it originated as a paper item, and that I am legally entitled to negotiate it.
- The original check has not and will not be: (i) deposited; (ii) endorsed to a third party; or (iii) otherwise negotiated or submitted for payment, after transmitting the digital image through the Remote Deposit Capture service.
- No other duplicate images of the original check have been made.
- The electronic image of the check, or any substitute check as defined by federal law, will become the representation of the check for all purposes (except funds availability) including return item processing.
- Any files and images transmitted to the Credit Union will not contain any viruses or any other disabling features that may have an adverse impact on the Credit Union's network, data, or related system.
- I will not attempt to deposit or otherwise negotiate any original check that I have previously presented to you as an Electronic Image through the Remote Deposit Capture service. I will not attempt to present a duplicate Electronic Image.

I agree to indemnify, defend, and hold the Credit Union, its directors, officers, employees, and agents harmless for any losses, liabilities, damages, claims, costs, or expenses (including reasonable attorneys' fees) arising from its reliance on these representations and warranties, as well as any of the following:

- Any negligent or intentional act or omission by me in the performance of my obligations under this Agreement.
- Calculation or data entry errors made by me.
- Any material breach of this Agreement or violation of any applicable law, statute, or regulation in the performance of my obligations.
- My failure to securely maintain my hardware, my security credentials, or to securely maintain or dispose of any original check.

This section shall survive the termination of the Remote Deposit Capture service.

FUNDS TRANSFER SERVICES AGREEMENT.

I may use the Funds Transfer Service to transfer funds between any of my accounts, whether such accounts are with you or at another, unrelated financial institution. I may also use the Funds Transfer Service to access Popmoney to transfer funds from one of my accounts to another party's account using a mobile telephone number or email address.

Frequency of Transfers. You do not currently limit the number of funds transfers I may make. It is my responsibility to review your Account Disclosures to ensure that I am complying with the terms and limitations of such Accounts. From time to time, you may impose additional limits on the frequency of transfers.

Dollar Amount of Transfers. You reserve the right to change, at your discretion and without notice, the dollar amount of funds transfers that I am permitted to make.

Transfers Subject to Account Disclosures. All funds transfers are subject to the relevant Account Disclosure. Certain types of accounts may not be eligible for funds transfers or may be restricted, and I agree not to make any transfers from or to such accounts.

Rejection of Transfers. You reserve the right to decline any funds transfer in your sole discretion.

A transfer between any of my accounts initiated through BayFedOnline Banking before 6:00 p.m. Pacific Standard Time on a Business Day will be posted to my Account the same day. All transfers initiated after 6:00 p.m. Pacific Standard Time on a Business Day or on a non-Business Day will be posted to your Account no later than the following Business Day. If the transfer is made through a third party service provider, including Popmoney, it may take three (3) to four (4) Business Days for the transfer to be credited to the appropriate account. The Funds Transfer Service may not be available at all times.

I will ensure that I have sufficient funds in my Account prior to making a funds transfer. You may decline any funds transfer for which I have insufficient funds or that you believe may violate applicable law or expose us to liability or risk of loss.

Information Verification. To verify ownership of my Account(s), you may issue offsetting debits and credits to my Account(s) and require confirmation of such from me. Through my enrollment in BayFedOnline, I agree that you may request a review of my credit rating at my expense through a credit reporting agency. In addition, I agree that you may obtain financial information regarding my account from a Payee or my financial institution (e.g., to resolve payment posting problems or for verification).

Authorization. I authorize you to select any means to execute my funds transfer, including the Automated Clearing House (ACH). I agree to be bound by the rules and regulations that govern the applicable funds transfer system, including the rules published by the National Automatic Clearinghouse Association.

You and your service providers will make a reasonable effort to complete the transfer; however, if for any reason a transfer cannot be made, I authorize you or your service provider, without notice to me, to credit or debit my Account as necessary to reverse the transfer. You reserve the right to resubmit the transfer in the event of an insufficient or uncollected funds return and if you cannot collect the amount credited. There may be a fee associated with such collection imposed by the financial institution holding the Account.

If I have requested a funds transfer to a third party, I must provide you with a true, correct, and current email address or cellular phone number for such third party, and I authorize you to contact such party to request certain information (e.g., the account number and financial institution to which they wish to transfer the funds). If the third party fails to provide such information or to follow the instructions provided

by you, you will not complete the transfer and will credit my Account for the amount of the transfer as appropriate.

If my funds transfer instructions identify a recipient by name and account number, the receiving financial institution may execute my instructions by reference to the account number only, even if the account number does not correspond the name I provided. I acknowledge and agree that such financial institution is not obligated to investigate any discrepancies between names and account numbers.

Popmoney

Through Popmoney, you offer me the ability to initiate transfers from an Account with you to an account at another financial institution located in the United States. Popmoney also allows me to receive transfers from another person directly into an Account with you. Popmoney is provided through CashEdge, a subsidiary of Fiserv Solutions, Inc., and I acknowledge that you utilize CashEdge to provide Popmoney.

Suspension and Reinstatement. You may, without notice to me, suspend my ability use the Funds Transfer Service for any reason, including my inability to debit my Accounts or to otherwise collect the amount of any transfer. Your right to suspend my ability to use the Funds Transfer Service does not limit any other right or remedy that you may have under this Agreement or otherwise. If you suspend my ability to use the Funds Transfer Service, I may request reinstatement of the service by contacting you. You may, in your sole discretion, grant or deny reinstatement, and if you agree to reinstate me, you may limit the number of funds transfers or dollar amount of funds transfer that I may make per month.

Documentation. I may access a statement of all funds transfers made or pending at any time through BayFedOnline by clicking on the History tab within Funds Transfer or the Activity tab within Popmoney.

No Unlawful or Prohibited Use. I acknowledge and agree that I will not use the Funds Transfer Service or Popmoney for any unlawful purpose or in a way not permitted, either expressly or implicitly, by this Agreement. I further acknowledge and agree that I will not use the Funds Transfer Service, including Popmoney, in a way that could damage, disable, overburden, or impair your online banking service.

I agree not to impersonate any person or use a name that I am not authorized to use. I represent and warrant that all information I have provided or will provide is true, correct, and complete.

Security Procedures. If I am the recipient of a funds transfer, I agree that I will provide you with any information that you may reasonably require, to transfer funds to my Account and that you may provide the transferor's financial institution with any information that it may need to transfer such funds to my Account. If I am sending a funds transfer, I agree that a recipient's financial institution may contact you to verify the content and authority of funds transfer instructions and any changes to those instructions. I understand that, as my agent, you may provide such financial institution any required information to verify the instructions.

I further agree that I may authorize such financial institution to charge and debit my accounts based solely on these communications. If the transfer is rejected for any reason, the funds will be returned to the transferor.

ATM ELECTRONIC FUNDS TRANSACTIONS

If I requested that you issue me an ATM Card or VISA® Debit Card to be used to transact business at any of your proprietary ATMs or any ATM displaying the STAR® or PLUS® Logo and belonging to the CO-OP® Shared Network System of ATMs or activated a VISA® Credit Card to obtain advances at ATMs bearing the VISA® logo, then the information below applies to me. Access to ATMs is through the use of a Card and a Personal Identification Number (PIN), which you will provide to me.

Types of Available Transactions and Limits on Transactions. The types of currently available transactions are listed below. Transaction types and services may be limited on certain ATMs on the systems that are not owned by you (non-proprietary ATMs), such as, for example, withdrawal limits. If a transaction or service type is not available, the attempted transaction will generally be refused as an "invalid transaction."

Account Access. The ATM services that you make available to me are:

(1) Deposits to my savings account(s), money market account(s), and checking account(s) at your proprietary ATM(s) and designated CO-OP Network ATMs;

(2) Withdrawals from my savings account(s), money market account(s), and checking account(s) at your proprietary ATM(s) or STAR®, PLUS®, or CO-OP® ATMs;

(3) Transfers from my savings account(s) and money market account(s) to my checking account within the same member number at your proprietary ATM(s) (and some shared network ATMs);

(4) Loan payments made by transfer of funds from my savings account(s), money market account(s), or checking account(s) at your proprietary ATM(s) (and some shared network ATMs);

(5) Advances on my VISA® Credit Card up to my available Credit Limit using a VISA® Credit Card at ATMs displaying the VISA® logo.

(6) Balance inquiries at your proprietary ATM(s) and other Shared Network ATMs;

You may offer additional services in the future and, if so, I will be notified of them.

Unless otherwise noted, the above services are generally available at ATMs on the STAR®, PLUS®, and CO-OP® Shared Network Systems. Services, however, may be restricted on certain ATMs on the systems that are not owned by you. In such case, an attempted transaction may be refused by the Shared Network ATMs.

I understand and agree that you accept funds deposited at ATMs subject to our verification and collection, and receipts issued by an ATM are binding only after verification. Funds deposited by check may be unavailable for withdrawal until collected by you. The delay will depend on your policies as permitted by law, and I will refer to your Truth-In-Savings Disclosure and Account Agreement for details.

By using my ATM Card or VISA® Debit Card in conjunction with my PIN at an ATM, I authorize you to provide account balance information or to make withdrawals and transfers into or from my accounts with you, in accordance with the instructions given to the ATM. Furthermore, I authorize you to make advances on my line of credit account.

If I authorize you to issue an ATM Card or VISA® Debit Card (or any other access device) to any third party, or if I permit any person to use my Card, I understand that I, thereby, authorize that person to withdraw funds from any account (including my line of credit account) which can be accessed using the ATM Card or VISA® Debit Card.

Balance Inquiries. Balance information available through the ATM may not be accurate because the balance information may not reflect transactions that occurred within the past 72 hours. For accurate balance information, I may contact the Credit Union at 831.479.6000 or toll-free at 888.4BAYFED.

ATM Fees. You may charge an ATM Foreign Transaction Fee for any transactions at ATMs not owned by you or the CO-OP® Network. In addition, when I use an ATM not owned by you, I may be charged a fee by the ATM operator and/or any network used (and I may be charged a fee for a balance inquiry even if I do not complete a fund transfer).

Limitations on Frequency and Dollar Amount of Transactions.

(1) Withdrawals from most ATMs are limited to a maximum of $600.00 per transaction and $600.00 per day. Note, however, that withdrawal limitations may vary between networks and individual machines. In addition, you reserve the right to adjust my maximum per day cash disbursement levels, from time to time, in your sole discretion.

(2) Minimum withdrawal amounts and increment amounts may vary depending on the system or machine I access. For example, the minimum withdrawal and increment amount at Shared Network machines is generally $20.00.

(3) For security reasons, in the event my ATM Card, VISA® Debit Card, or VISA® Credit Card or the PIN is lost or stolen, there may be restrictions on transactions I can make on the ATM System.

Overdraft to Line of Credit. I understand that if I have an overdraft line of credit in conjunction with my checking account, then I may use that line of credit to fund any overdraft on my checking account, including overdrafts caused by ATM or POS terminal access. I understand that I may not otherwise use my ATM Card(s) or VISA Debit Card to overdraw my savings account(s), checking account(s), or personal line of credit, if applicable. However, if I do overdraw, I authorize you to cover the overdraft as follows:

(1) Overdrawn Savings Account: You may withdraw funds from my checking account(s) or make a cash advance from my personal line of credit account, if any, or make a withdrawal from other accounts on which I am a joint owner.

(2) Overdrawn Checking Account: You may make a cash advance from my personal line of credit account, if any, or withdraw funds from my savings account(s) or make a withdrawal from other accounts on which I am a joint owner.

(3) Overdrawn Line of Credit: You may withdraw funds from my savings account(s), money market account(s), or checking account(s), or other accounts on which I am a joint owner.

If I am eligible for your **Premium Overdraft Service**, you may also cover my overdrafts in accordance with the Premium Overdraft Service found elsewhere in the Truth-In-Savings Disclosure and Account Agreement. Overdrafts that cannot be honored are payable on demand and may result in termination of my account(s).

My ATM Card and/or VISA® Debit Card. Both an ATM Card and/or VISA® Debit Card and a Personal Identification Number (PIN) will be used each time I use an ATM. The following conditions must be observed for both the privacy and protection of my account and the system:

(1) I MUST KEEP MY CARD IN A SAFE PLACE AND PERMIT NO UNAUTHORIZED PERSON TO USE IT;

(2) I MUST NOT (A) TELL ANY UNAUTHORIZED PERSON MY PIN, (B) WRITE MY PIN ON MY CARD, (C) WRITE MY PIN ON A SEPARATE PIECE OF PAPER AND KEEP IT IN MY PURSE OR WALLET WITH MY CARD, OR (D) OTHERWISE MAKE IT AVAILABLE (THROUGH THEFT, MY OWN NEGLIGENCE, OR OTHERWISE) TO ANYONE ELSE;

(3) I MUST TELL YOU IMMEDIATELY OF ANY LOSS OR THEFT OF MY CARD AND/OR PIN.

(4) IF I AUTHORIZE YOU TO ISSUE A CARD (OR ANY OTHER ACCESS DEVICE) TO ANYONE ELSE, I AUTHORIZE THAT INDIVIDUAL TO WITHDRAW FUNDS FROM ANY ACCOUNT WHICH CAN BE ACCESSED BY THE CARD, REGARDLESS OF WHETHER THAT INDIVIDUAL IS AUTHORIZED TO WITHDRAW MONEY FROM THE ACCOUNT BY ANY MEANS OTHER THAN BY USE OF THE CARD. IF I GIVE MY CARD OR PIN TO ANYONE, ANY WITHDRAWAL OR TRANSFER BY THAT PERSON WILL BE CONSIDERED TO BE AUTHORIZED BY ME.

Safety at the ATM. I understand that I should use caution at all times when using an ATM or POS terminal. Some precautions I can take are: avoid ATMs that are obstructed from view or unlit at night; observe the area for anything unusual or suspicious; when possible, bring a companion along, especially at night; lock my vehicle when I leave it; have my Card in my hand as I approach the machine; avoid reaching in my wallet or purse in front of the machine; avoid counting my cash at the machine; lock the doors, roll up all but the driver's window, and keep the engine running when using a drive-up machine. If I feel unsafe for any reason, I should leave the area immediately. If someone follows me after using the ATM, I should quickly go to a safe area that is well-populated and well-lit. I should report any incident to the police as soon as possible.

Personal Identification Number. I agree to memorize my PIN and will not write it on the Card(s) or make it accessible by anyone through theft or otherwise. If I forget the number, I may contact you and you will issue a duplicate at the charge set forth in your current Fee Schedule.

Ownership of an ATM Card or VISA® Debit Card. The Card(s) remains your property and I agree to surrender the Card(s) to you upon demand. You may cancel, modify, or restrict the use of any Card (1) upon proper notice or (2) without notice if: (a) my account is overdrawn, (b) if you are aware that I have violated any term of this Disclosure and Agreement, whether or not you suffer a loss, or (c) where you deem it to be necessary or prudent to maintain or restore the security of my account(s) or the ATM or POS system. You also reserve the right to recall the Card(s) through retrieval by any of the ATMs.

Making Electronic Fund Transactions. I agree to follow the instructions posted or otherwise given by you or any ATM Network or POS terminal concerning use of the machines.

ATM CARDS OR VISA® DEBIT CARDS WHEN USED FOR POINT OF SALE TRANSACTIONS

Types of Available Transactions and Limits on Transactions. By use of my ATM Card or VISA® Debit Card at a point-of-sale terminal, I authorize you to make withdrawals from my designated checking account for cash advances and/or purchases.

Account Access. I may use my Card to withdraw cash from my designated checking account by way of a cash advance from merchants, financial institutions, or others who honor the Card(s) and/or pay for purchases from merchants, financial institutions, and others who honor the Card(s).

When I use my VISA® Debit Card to pay for goods or services at a merchant or point-of-sale terminal, or to obtain cash, I use it as a debit card and it works like a check written on my account. My VISA® Debit Card is not a credit card, which means that I cannot defer payment of my VISA® Debit Card transactions.

I must follow the merchant's, financial institution's, or other person or entity who honors the card's rules and instructions and I may be asked to enter my PIN or sign a sales slip. Some merchants may impose a fee for VISA® Debit Card use and you will not be liable for that fee or if the merchant, financial institution, or other person or entity refuses to accept your VISA® Debit Card or VISA® Debit Card number.

I understand that some participating merchants (such as hotels, car rental companies, restaurants, or gas stations) may initiate electronic notices seeking validation of the Card and/or approval of the anticipated purchase amount. Such an anticipated purchase amount may exceed the amount of the actual purchase transaction. You may place a hold against my designated checking account for the anticipated amount. The hold may remain in effect from the time the notice is received by you up to the time the merchant draft or other item is presented. The amount of the actual purchase transaction is then deducted from my designated checking account.

I may not stop payment on a VISA® Debit Card transaction. Furthermore, in the event of a dispute, I may have to settle directly with the merchant, financial institution, or other person or entity that honored the Card. If the merchant misrepresents the quality, price, or warranty of the goods or services which I paid for with my VISA® Debit Card, I agree to indemnify you from and against any and all damages, costs, liabilities, and expenses (including attorneys' fees and expenses) which may result, directly or indirectly, from such misrepresentation. If I breach or do not fulfill the terms of this Disclosure and Agreement with you, I also agree to indemnify you from and against any and all damages, costs, liabilities, and expenses (including attorneys' fees and expenses) which may result, directly or indirectly, therefrom.

Limitations on Frequency and Dollar Amounts of Transactions. I may make cash advances and purchases only to the extent that I have available funds in my designated checking account plus available funds in my designated overdraft sources. Purchase transactions with a VISA® Debit Card are limited to $3,000.00 each 24-hours. For security reasons, there may be limits on the number of these transactions that may be authorized.

Returns and Adjustments (VISA® Debit Cards). Merchants and others who honor VISA® Debit Cards may give credit for returns or adjustments, and they will do so by sending you a credit slip that you will post to my designated checking account.

International Transactions. Purchases, cash advances, and credits made in foreign currencies will be billed to my Account in U.S. dollars. The conversion to U.S. dollars will be made in accordance with the VISA® operating regulations for international transactions. Transactions processed outside of the United States, or in a foreign currency, may be charged an international transaction fee, regardless of whether there is a currency conversion associated with the transaction. The conversion rate in dollars will be a rate selected by VISA® from a range of rates available in wholesale currency markets for the applicable Central Processing Date, which rate may vary from the rate VISA® itself received, or the government-mandated rate in effect for the applicable Central Processing Date in each instance, plus a two percentage point (2%) fee charged by you. The conversion rate may be different than the rate on the day of the transaction or date of the posting to the account. When a credit to the account does not fully offset a charge to the account due to changes in the rate, I am responsible for the difference.

ELECTRONIC CHECK TRANSACTIONS

If I have authorized a one-time transfer of funds from my account via automated clearing house (ACH) where I have provided a paper check or check information to a merchant or other payee in person or by telephone to capture the routing, account, and serial numbers to electronically initiate the transfer (an "Electronic Check Transaction"), the following applies to me:

Types of Available Transactions. I may authorize a merchant or other payee to make a one-time Electronic Check Transaction from my checking account using information from my check to (1) pay for purchases or (2) pay bills. I may also authorize a merchant or other payee to debit my checking account for returned check fees or returned debit entry fees.

I may make such a payment via ACH where I have provided a paper check to enable the merchant or other payee to capture the routing, account, and serial numbers to initiate the transfer whether the check is blank, partially completed, or fully completed and signed; whether the check is presented at POS or is mailed to a merchant or other payee or lockbox and later converted to an EFT; whether the check is retained by the consumer, the merchant, other payee, or the payee's financial institution; or I have provided the merchant or payee with the routing, account, and serial numbers by telephone to make a payment or a purchase.

Account Access. Electronic Check Transactions may be made from my checking account only.

Limitations on Dollar Amounts of Transactions. I may make Electronic Check Transactions only to the extent that I have available clear funds in my checking account plus available funds in my designated overdraft sources.

Overdraft to Line of Credit. I understand that if I have an overdraft line of credit account in conjunction with my checking account, then I may use that line of credit to fund any overdraft on my checking account, including overdrafts caused by any Electronic Check Transactions. I understand that I may not otherwise initiate an Electronic Check Transaction to overdraw my checking account or my line of credit, if applicable. However, if I do overdraw, I authorize you to cover the overdraft on my checking account by making a cash advance from my line of credit account, if any, or withdraw funds from my

savings account(s) or money market account(s) or make a withdrawal from other accounts on which I am a joint owner.

If I am eligible for your Premium Overdraft Service, you may also cover my overdrafts in accordance with the Premium Overdraft Agreement found in your Truth-in-Savings Disclosure and Agreement. Overdrafts which cannot be honored are payable on demand and may result in termination of my account(s).

Remotely-Created Checks. If the Electronic Check Transaction involves a remotely-created check, you reserve the right to accept or reject the item for deposit into any of my accounts. If I deposit a remotely-created check into any of my accounts, I represent and warrant to you that I have instituted procedures to ensure that these drafts are authorized by the person on whose account the remotely-created check is drawn in the amount stated on the check and to the payee stated on the check. If a remotely-created check, which I have deposited into my account, is returned by the drawee-payor bank for any reason, I agree that you may debit my account for the amount of the item, plus any applicable fees. If the debit causes my account to be overdrawn, I agree to pay the overdrawn amount on your demand. For purposes of this Disclosure and Agreement, the term "remotely-created check" means a check that is not created by the paying bank and that does not bear a signature applied, or purported to be applied, by the person on whose account the check is drawn.

ATM ELECTRONIC FUNDS TRANSACTIONS, POINT OF SALE TRANSACTIONS, TELEPHONE BANKING TRANSACTIONS, ONLINE BANKING TRANSACTIONS, MOBILE BANKING, BILL PAY, REMOTE DEPOSIT CAPTURE, FUNDS TRANSFERS, AND ELECTRONIC CHECK TRANSACTIONS

Right to Receive Documentation of Transactions.

(1) **Transaction Receipt.** I will receive a receipt at the time I make any transfer to or from my account using one of the ATMs or when I make a purchase using a POS terminal. I should retain this receipt to compare with my statement from you.

(2) **Periodic Statement.** I will receive a monthly statement (unless there are no transfers in a particular month), for the account(s) which I have accessed using an Electronic Check Transaction, the ATMs, POS terminals, BayPhone Telephone Banking, BayFedOnline Banking, BayFedMobile, Bill Pay, or Remote Deposit Capture Service, which will show the calendar date that I initiated the transfer, the type of transfer and the type of account(s) accessed by the transfer, and the amount of transfers occurring in that statement period. I will get a statement at least quarterly.

(3) **BayFedOnline Banking, BayFedMobile, Remote Deposit Capture, or Bill Pay Transaction.** I may print a record of any individual transaction conducted through the Service at any time after the transaction is completed. A fee may be charged for such paper copy, subject to your Fee Schedule.

My Liability for Unauthorized Transactions and Advisability of Prompt Reporting. I must tell you AT ONCE if I believe my checks, ATM Card, VISA® Debit Card, VISA® Credit Card, or my BayPhone, BayFedOnline Banking, BayFedMobile, ATM Card, VISA® Debit Card, or VISA® Credit Card PIN or Password (collectively "check(s), Card(s) and/or PIN(s)/Password(s)") has been lost or stolen or if I believe

that an electronic fund transfer has been made without my permission using information from my check. Telephoning is the best way of keeping my possible losses down. A written notification to you should follow my telephone call. I could lose all the money in my account (plus my maximum overdraft line of credit). However, if I believe my check(s), Card(s) and/or PIN(s)/Password(s) has been lost or stolen, and I tell you within two (2) business days after I learn of the loss or theft, I can lose no more than $50.00 if someone used my check(s) (in an Electronic Check Transaction), my Card(s), and/or PIN(s) / Password(s) without my permission.

If I do NOT tell you within two (2) business days after I learn of the loss or theft of my check(s), Card(s), and/or PIN(s) /Password(s) and you can prove you could have stopped someone from using my check(s), in an Electronic Check Transaction, and/or my Card(s) and/or PIN(s) /Password(s) without my permission if I had told you, I could lose as much as $500.00.

If I am using a VISA® consumer card, including credit or debit card, for transactions that take place on the VISA® network system, I understand that VISA® Operating Rules and Regulations provide for $0 liability for losses from unauthorized (fraudulent) activity. This does not apply to VISA® commercial cards, ATM transactions using a PIN, or non-VISA® PIN-Debit Network transactions.

Also, if my statement shows transfers that I did not make, including those made by Card, PIN, or other means, I must tell you at once. If I do NOT tell you within sixty (60) days after the statement was mailed to me, I may not get back any money I lost after the sixty (60) days if you can prove that you could have stopped someone from taking the money if I had told you in time.

If I can document a good reason (such as a long trip or hospital stay) kept me from telling you, you will extend the time period.

Telephone Number and Address to be Notified in Event of an Unauthorized Transaction. If I believe my Card(s), PIN(s)/ Password(s), or check(s) has been lost or stolen or that someone will or may use it to transfer money from my account(s) without my permission, I must telephone you at: 831.479.6000 or toll-free at 888.4BAYFED, or write you at:

BAY FEDERAL CREDIT UNION
3333 Clares Street
Capitola, CA 95010
ATTENTION: Member Service Center

I should also call the number or write to the address listed above if I believe a transfer has been made using the information from my check without my permission.

Business Accounts. I understand that the Section entitled "My Liability for Unauthorized Transactions and Advisability of Prompt Reporting" in this Section of this Agreement as well as the Section entitled "In Case of Errors or Questions About My Electronic Services Transactions" and the provisions related to error resolution and limitations on liability on the back of periodic statements, do not apply to business accounts or to accounts that are not used primarily for personal, family, or household purposes ("Business Accounts"). For these accounts, I will see the error resolution and limitations on liability provisions set forth in your Business Account Agreement.

Regulation "D" Restrictions on Electronic Funds Transfers. Any combination of pre-authorized, automatic, or telephone withdrawals or transfers from savings accounts and money market accounts are limited to no more than six (6) transfers in each statement period.

However, I may make an unlimited number of withdrawals from or transfers among my own savings accounts or money market accounts by mail, messenger, or in person at the Credit Union or at an ATM. I may also make an unlimited number of withdrawals from my savings accounts or money market accounts through the Credit Union's BayPhone Telephone Banking, BayFedOnline Banking, or by telephone if I request that you send me a check. Transfers or withdrawals in excess of the above limitations may not be honored.

Verification. All transactions affected by use of the ATMs, POS terminals, Electronic Check Transaction, BayPhone Telephone Banking, BayFedOnline Banking, BayFedMobile, Remote Deposit Capture, or other electronic transaction contemplated hereunder which would otherwise require my "wet" signature, or other authorization, shall be valid and effective as if "wet" signed by me when accomplished by use of an Electronic Check Transaction, Card(s), and/or PIN(s)/Password(s) or as otherwise authorized under this Disclosure and Agreement. Deposits at an ATM are subject to verification by you and may only be credited or withdrawn in accordance with your Truth-In-Savings Disclosure and Account Agreement. Transactions accomplished after the close of normal business each day shall be deemed to have occurred on your next business day. You are not responsible for delays in a deposit due to improper identification on the deposit envelope or improper keying of my transaction.